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E.O. 12958: DECL: 01/23/2017
TAGS: [PREL](#) [PGOV](#) [ECON](#) [EFIN](#) [EG](#) [LE](#)
SUBJECT: LEBANON, PARIS III CONFERENCE: EGYPTIAN
PARTICIPATION AND POSSIBLE DELIVERABLES

Classified by Counselor for Economic and Political Affairs,
Catherine Hill-Herndon, for reasons 1.4 (b) and (d).

¶1. (C) MFA Deputy Assistant Minister for Arab Affairs, Amal Mourad, told poloff on January 22 that Egyptian Finance Minister Yousef Boutros-Ghali would lead Egypt's delegation to the upcoming Paris III conference on Lebanon, departing Cairo on January 24 and returning on January 26. Boutros-Ghali will be joined by Mourad, MFA Cabinet staff member Nazih Al Negeiry, and Assistant to the Finance Minister Amina Ghanem. Egypt, she said, is still studying a number of potential bilateral assistance projects in Lebanon, and would announce its decisions to attendees in Paris. The projects include proposals to continue Egyptian assistance in the electricity-generation field, including a proposal to help build fuel storage tanks for power-production purposes.

¶2. (C) During a separate January 22 conversation with econoff, Amina Ghanem, Assistant to the Minister of Finance, said the Egyptian delegation would discuss in Paris GOE assistance to Lebanon in several areas. These included electricity generation in southern Lebanon, including construction of warehouses (Note: possibly the fuel tanks discussed at MFA by Mourad. End note.) The total cost of this project, she said, was USD 15 million, of which Egypt would fund USD 6 million. Egypt was also looking to rebuild a bridge destroyed along the "Sida" road during the summer war. The Egyptian Housing Ministry would take the technical lead on the project, which she projected to cost USD 12 million. Egypt may also provide technical assistance for Lebanon's economic reform package, she stated, with expertise provided by Egypt's Finance Ministry and possibly other GOE economic ministries. Ghanem stated that Boutros-Ghali was prepared to act as Lebanon's "advocate" with International Financial Institutions, as he had once negotiated Egypt's international assistance program in the early 1990's. Ghanem qualified her comments by noting that the projects remained only proposals.

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